Distribution of subsidies to service sector

914. DR. ASIM BALA: Will the Minster of FINANCE be pleased to state the pattern of allocation/distribution of subsidies with particular reference to the service sector in the country in comparison with countries like U.S.A., U.K., Sweden, France, Canada and other developed countries?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): Subsidies can be broadly classified into two categories, namely, explicit subsidies for which specific provisions are made in the Budget and implicit subsidies, which are in the nature of unrecovered costs of public services for which no specific provisions are made in the Budget. An amount of Rs. 10,395 crore was provided in the Central Budget for 1991-92 towards explicit subsidies of which 75.3 per cent was accounted for by food, fertiliser and export promotion, 14.4 per cent by debt relief to farmers and the remaining 10.3 per cent by subsidy on handloom cloth, interest subsidies etc. Subsidies provided for the service sector are mostly implicit in nature. The provision of subsidies n a country is mostly governed by factors, such as, its stage of economic development and social and economic considerations. Subsidies provided in our country are, therefore, not comparable with those provided in developed countries.

Visit of Russian Delegation

915. DR. ASIM BALA:
SHRIMATI DILKUMARI BHANDARI:

Will the Minister of COMMERCE be pleased to state:

(a) whether a high power power Russian Delegation has visited India recently;

(b) if so, the details thereof;

(c) whether discussions on bilateral trade and problems of rupee rouble ratio were held;

(d) if so, the details and the outcome thereof; and

(e) the difference between the earlier trade agreement with erstwhile USSR and the agreement signed with Russia new?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) to (d). Yes, Sir. During this visit a Trade Protocol for the calendar 1992 has been concluded. A Trade Agreement between the two countries has also been initialted. Matters relating to the Rouble Rupee rate were however not discussed.

(e) In contrast to past Indo-Soviet Trade Protocols, the Indo-Russian Protocol for 1992 provides for Rupee Trade while also permitting transactions by way of counter-trade, barter, payments in freely convertible currency or any other internationally recognized form of business co-operation. Under the terms of the Protocol all trade transactions shall be denominated in freely convertible international currencies. The Protocol is intended to provide a transitional arrangement for trade and commercial transactions.

Directions to Government offices and Defence to purchase from National Textile Corporation

916. SHRI MOHAN RAWALE: Will the Minister of TEXTILES be pleased to state:

(a) whether the Government propose to issue directions to all Government offices through out the country, including Army, Navy and Air Force to purchase all their requirements of cloth only from National Textile Corporation;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI ASHOK GEHLOT): (a) Government do not propose to issue fresh directions to Government offices and Defence to purchase from National Textile Corporation.

(b) Does not arise.

(c) The instructions issued by the Government in December, 1983 making Central Government Department obligatory to purchase from NTC on Single Tender Scheme exists. In the case of purchase by Defence, the Single Tender Scheme has withdrawn in November, 1990. Revised instructions are not being considered in view of specific requirements of Defence.

Closure of Textile Mills in Bombay

917. SHRI MOHAN RAWALE: Will the Minister of TEXTILES be pleased to state:

(a) whether more than seventy thousand workers have been rendered jobless due to the closure of textile mills in Bombay;

(b) the arrangements made to give them alternative jobs;

(c) whether the Government propose to allow these mills to be run on co-operative basis by workers;

(d) if so, the salient features thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI ASHOK GEHLOT): (a) As on 31.1.92, 18275 workers have been affected due to closure of 7 cotton/man-made fibre textile mills in Bombay.

(b) Govt. has no scheme to provide alternative employment to affected workers. However, Govt. have Textile Workers' Rehabilitation Fund Scheme (TWRFS) to provide relief to workers affected by closure of mills so that they are able to get alternative employment.

(c) and (d). If the workers offer to run the mills by forming a co-operative, in principle, the Govt. will have no objection.

(e) Does not arise in view of 'c & 'd' above.

New Branches of Foreign Banks

918. SHRI MOHAN RAWALE;
SHRI M.V.V.S. MURTHI:
SHRI RABI RAY:

Will the Minster of FINANCE be pleased to state:

(a) whether some leading foreign banks have moved in, in a big way to set-up representative offices and branches in the country;

(b) if so, the names of such banks which have so far made applications in this regard;

(c) whether the foreign banks are achieving better results as compared to the nationalised banks and the growth of deposits of foreign banks has been much more than the nationalised banks;

(d) if so, the details thereof and the reasons therefor;

(e) whether the Reserve Bank of India has finalised guidelines about new branches of foreign banks in the country;

(f) if so, the details in this regard;

(g) whether India shall also be allowed